BEFORE THE DIVISION OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

---ooOoo---

IN THE MATTER OF TENTATIVE DECISION TO APPROVE THE MINING AND RECLAMATION PLAN FOR CENTURION MINES CORPORATION'S OK COPPER MINE, BEAVER COUNTY, UTAH

NOTICE OF TENTATIVE DECISION TO APPROVE

NO. M/001/039

---00000---

THE STATE OF UTAH TO ALL OPERATORS, TAKERS OF PRODUCTION, MINERAL AND ROYALTY OWNERS, AND PARTICULARLY ALL PERSONS INTERESTED IN SECTIONS 6 & 7, TOWNSHIP 27 SOUTH, RANGE 11 WEST, SLBM, BEAVER COUNTY, UTAH.

Notice is hereby given by the Division of Oil, Gas and Mining of its tentative decision to approve Centurion Mines Corporation's Mining and Reclamation Plan for the OK Copper Mine. Mining activities will effect the following area: South ½ of Section 6 and North ½ of Section 7, T27S, R11W, SLBM, Beaver County, Utah.

The operator will employ the following mining and reclamation techniques on approximately 275 acres of Private land.

During Operations: The mining operation will consist of three phases as follows: Phase Iconstruction of a fully lined (57 acre) heap leach pad, a (2 acre) solvent extraction/electrowinning(SX/EW) processing plant, and the re-mining and leaching of 2 million tons of (previously mined) stockpiled copper ore surrounding the old O.K. Pit. The SX/EW process produces a copper sulfate electrolyte which is pumped into electro-winning cells where 99.998% pure copper is electroplated onto stainless steel sheets. The copper ore is leached with a dilute sulfuric acid solution. Phase II - strip mining new ore by widening and deepening the existing O.K. pit. Overburden to ore stripping ratio is approximately 1:1. Run of mine ore will be stacked on the heap and leached. Phase III - development of the new eastern extension of the ore zone (Mary I pit). This pit will merge into the eastern side of the O.K. pit. All environmental permits will be in place prior to initiation of operations. Reclamation bonding of this operation will occur in phases. Approval of each phase will remain contingent on adequate permitting and bonding for each phase. All process water will be contained in a fully engineered facility and all environmental controls will be in place prior to initiating leaching operations. Approximately 10 million tons of ore and 10 million tons of waste material will be produced. Variances were granted to topsoiling and reseeding requirements for inaccessible and unsafe pit benches. Variances were granted to allow pit highwalls to remain at angles steeper than 45 degrees, and to allow the pits to impound water following mining.

After Operations: The heap will be rinsed with fresh water rinsate to comply with final effluent standards set by the State Division of Water Quality. Solution in ponds will be allowed to evaporate. Remaining sludge will be tested for metals and subjected to meteoric mobility analyses. All remaining hazardous material from these ponds will be disposed of at an appropriately licensed facility. Pond liners will be folded or dozed into the pond bottoms and covered with 5-10 feet of fill. All dump slopes and heap leach pad slopes will be graded to 3H:1V, and covered with one foot of topsoil and re-vegetated. Monitoring wells will be plugged according to state requirements. A water well will remain to provide a long-term source of water for local wildlife. The processing facilities will be demolished and removed or buried onsite. Exposed concrete foundations will be broken up and buried. The process facilities area will be graded to blend with the adjacent topography and re-vegetated. All non-hazardous or non-toxic materials will be buried. Any remaining hazardous or toxic materials will be disposed of according to federal and state regulations. Approximately one foot of topsoil will be replaced on all disturbed, non-pit areas that originally had topsoil. These areas will be roughened, terraced and reseeded with the approved seedmix to allow postmining use by livestock and wildlife.

The person representing the company is Mr. Rick Havenstrite; Phone (801) 534-1120. Centurion Mines Corporation is fulfilling obligations under the Utah Mined Land Reclamation Act of 1975, Utah Code Ann. §40-8-18.

Any person or agency aggrieved by this tentative decision to issue approval is hereby requested to submit written protest within thirty (30) days of the date of publication to Mary Ann Wright, Associate Director of Mining, Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Box 145801, Salt Lake City, Utah 84114-5801, setting forth factual reasons for the complaint. If no responsive written protests are received by the Division within 30 days after the last date of publication, the tentative decision of the Division will be final.

DATED THIS 21th day of March, 1997

STATE OF UTAH DIVISION OF OIL, GAS AND MINING

James W. Carter

Director

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the foregoing Notice of Tentative Approval for Centurion Mines Corporation's OK Copper Mine project to be mailed by first class mail, postage prepaid, and/or facsimile sent, the <u>21st day of March</u>, <u>1997</u> to:

FACSIMILE: 237-2520 Salt Lake Tribune Legal Advertising P.O. Box 867 143 South Main Salt Lake City, Utah 84110-0867 Horn Silver Mines, Incorporated 4444 South 700 East, Suite 204 Salt Lake City, Utah 84107

FACSIMILE: 1-801-438-8804 Beaver Press Legal Advertising 40 East Center Street P.O. Box 351 Beaver, Utah 84713-0351 Mrs. Beverly Bealer 400 North 400 West Milford, Utah 84751

FACSIMILE: 1-801-387-5521 Milford Monitor Legal Advertising 450 North 100 East P.O. Box 224 Milford, Utah 84751-0224

Joelle Burns, Secretary

CERTIFIED RETURN RECEIPT P 074 976 570 Rick Havenstrite Centurion Mines Corporation 331 South Rio Grande, Suite 201 Salt Lake City, Utah 84110

Craig Davis
Beaver County Zoning Authority
P.O. Box 1013
Beaver, Utah 84713

Craig Egerton Bureau of Land Management Beaver River Resource Area 176 East D.L. Sargent Drive Cedar City, Utah 84720